

**DRAFT DIRECTIVE TRANSMITTAL**  
**WORKFORCE SERVICES**

Number: WSDD-37

Date: March 11, 2010

TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: EXEMPLARY PERFORMANCE INCENTIVE AWARDS POLICY  
MODIFICATION

☒ **IMMEDIATE ACTION**

Bring this draft to the attention of the appropriate staff.

☒ **E-MAIL COPY TRANSMITTED**

Number of pages (including coversheet): 4

If there are any problems with this transmittal, please call the Pagemaster at 916/654-8008.

**SUBJECT MATTER HIGHLIGHTS:**

Please review and comment on the attached draft directive.

This draft directive will supersede WIA Directive [WIAD04-12](#) dated January 21, 2005.

**This Draft Directive reduces the number of performance measures from 17 to 6 and the client categories from 4 to 3. This change is necessary to align the Board Policy and Directive with the State's implementation of Common Measures.**

**COMMENTS ARE DUE BY:**

**3/25/10**

Comments can be submitted through one of the following ways:

- 1) **Fax** — WID, Attention: **Joyce Lee** at 916/653-3432
- 2) **E-Mail** — [MngePerf@edd.ca.gov](mailto:MngePerf@edd.ca.gov) (Include "draft comments" in the subject line)
- 3) **Mail** — WSD / P.O. Box 826880 / MIC 69 / Sacramento, CA 94280-0001

All comments received by the end of the comment period will be considered before the final directive is issued. However, we will not be able to individually respond to comments. **Comments received after the specified due date will not be considered.**

If you have any questions, contact your WSD Regional Advisor at (916) 654-7799.

# DRAFT DIRECTIVE

## WORKFORCE INVESTMENT ACT

Number:

Date:

50:85:pc:12618

TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: MODIFICATION OF EXEMPLARY PERFORMANCE INCENTIVE  
AWARD POLICY

### EXECUTIVE SUMMARY:

#### Purpose:

This directive provides State guidance for awarding Workforce Investment Act (WIA) exemplary performance (EP) incentive awards to Local Workforce Investment Areas (local area). The directive reflects a policy change by the California Workforce Investment Board (State Board) for awarding available funding for EP incentive awards and implementation of Common Measures in California. This policy applies to performance outcomes achieved during Program Year (PY) 2007-08 and each program year thereafter, and will remain in effect until rescinded or superseded.

#### Scope:

This directive applies to all local areas.

#### Effective Date:

This directive is effective immediately.

### REFERENCES:

- WIA Sections 128(a), 133(a), 134(a), and 136(c)
- Title 20, Code of Federal Regulations, Sections 666.100, 666.400, and 666.410
- DOL Training and Employment Guidance Letter (TEGL) 17-05, Common Measures Policy for the ETA's Performance Accountability System and Related Performance Issues (February 17, 2006)
- Workforce Investment Act Annual Report: General Reporting Instructions and ETA Form 9091, Revised 2006
- State Board, EP Incentive Award Policy (approved May 18, 2004)

## **STATE-IMPOSED REQUIREMENTS:**

This directive contains only State-imposed requirements.

## **FILING INSTRUCTIONS:**

This directive supersedes WIA Directive WIAD04-12 dated January 21, 2005. Retain this directive until further notice.

## **BACKGROUND:**

States are required to reserve funds for incentive grants to local areas for regional cooperation among local boards and local coordination of WIA activities, and exemplary performance by local areas on the local performance measures [WIA 134(a)(2)(B)(iii)]. At the September 2009 meeting, the State Board modified the existing WIA Incentive Award Policy to more closely align the awards with the implementation of Common Measures in California.

## **POLICY AND PROCEDURES:**

Seventy percent (70%) of the funds reserved by the Governor for incentive awards will be used to reward EP efforts and thirty percent (30%) of the funds will be used to reward regional cooperation/local coordination (RC/LC) efforts. This directive explains the process for determining individual local area EP incentive award amounts. A separate directive will be issued explaining the application process for the RC/LC incentive awards.

To receive a full EP incentive award, a local area must meet or exceed its negotiated performance goals for all of the measures in each of the three WIA customer groups (i.e. adults, dislocated workers, and youth). A local area may receive a partial award for meeting or exceeding all of the performance goals in any one of the customer groups. Each customer group represents 33.33 percent of the full EP incentive award.

Example A: The local area met all performance goals for each of the three groups, Adult, Dislocated Workers, and Youth. The local area would receive a full EP incentive award.

Example B: The local area met all Adult and Dislocated Worker performance goals but failed to achieve 100 percent of its negotiated performance levels in the Youth customer group. The amount of the EP incentive award would be reduced by 33.33 percent. Therefore, the local area would receive a partial EP incentive award.

### **Awards Calculation Methodology**

To determine the potential dollar amount of a full award for each local area, the total formula allocation for each local area receiving an award is divided by the total of all formula allocations for local areas receiving EP incentive awards. The resulting percentage reflects each local area's full share of available EP incentive award funds.

This amount is adjusted to meet minimum and maximum award caps. For the purposes of this directive, a minimum full award is no less than one percent of the total funds made available by the Governor for EP incentive awards. A maximum full award is no more than ten percent of the total funds made available for EP incentive awards. Partial awards are calculated by reducing this adjusted amount by the percentages assigned to each customer group.

The EP incentive awards will be calculated by the Workforce Services Division (WSD) and will be based on the performance outcomes reported to DOL in the State's WIA Annual Report. Following the submission of the Annual Report to DOL and pending the Governor's approval, the State Board will contact the award recipients individually.

The EP incentive awards may be used for any WIA allowable program or administrative activity. Participants served with funds awarded for exemplary performance must be counted in determining performance measures.

**ACTION:**

Bring this directive to the attention of affected staff.

**INQUIRIES:**

If you have any questions, please contact your [Regional Advisor](#) at (916) 654-7799.

BOB HERMSMEIER  
Chief  
Workforce Services Division